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**MINUTES OF THE
GLENDALE CITY COUNCIL – SPECIAL MEETING
WORKSHOP**

**Council Chambers - Workshop Room
5850 West Glendale Avenue
January 10, 2012
8:30 a.m.**

PRESENT: Mayor Elaine M. Scruggs, Vice Mayor Steven E. Frate and Councilmembers Norma S. Alvarez, Joyce V. Clark, Yvonne J. Knaack, H. Phillip Lieberman, and Manuel D. Martinez

ALSO PRESENT: Ed Beasley, City Manager; Horatio Skeete, Assistant City Manager; Craig Tyndall, City Attorney; and Pamela Hanna, City Clerk

FACILITATOR: Dick Bowers, President of R.A. Bowers and Associates

1. GOAL REVIEW AND STRATEGIC PLANNING RETREAT

OBJECTIVES

- Revisit the broad common vision for the future of Glendale – “One Community”
- Review progress made on goals and objectives
- Identify key objectives for the coming year
- Strategic goals accomplishments 2011/12

Mr. Bowers provided a summary of what was discussed at the retreat in December 2011 and touched on some of Glendale’s achievements discussed at the meeting. He stated that today’s objective was to continue the discussions from that retreat and to discuss the categories of greatest impact. He asked if Council would approve the continuance of the current operational goals. If so, they could move forward from the previous discussion as well as move to greater discussion of the major visionary goals that were highlighted by Jim Rounds, Elliott D. Pollack & Company, at the last presentation.

Mayor Scruggs told Mr. Bowers that they would answer his question first. Mayor Scruggs asked if the Council wanted to keep the current goals. It was the consensus of Council to retain the current operational goals. Mayor Scruggs asked that the goals not be included every agenda item. Mayor Scruggs said the Council sees things that we don't know anything about but it's all because of a goal of ours – can we just get away from that practice? Thank you. Okay.

Mr. Bowers continued with his assessment of the categories that will be identified today as was discussed by Mr. Rounds at the December retreat. He stated these were the summation points he drew from their discussions as a starting point. He would like the Council to pick a core topic area to start with or possibly another topic that was missed that they would like to uncover.

Identify Categories of Greatest Impact

- Economic Development
- Housing
- Play to Our Strengths
- Targets and Incentives
- Balance
- Measurement

Mayor Scruggs asked from that array of choices offered by Mr. Bowers and with the offer to add other ideas, what would everybody like? She would see if there was some sort of consensus on the number one thing.

Councilmember Clark stated she made a list of goals she felt were important for the future for Glendale as possibly others had as well.

Mayor Scruggs said Mr. Bowers asked Council to pick a key topic to begin with and Council already accepted the other goals.

Councilmember Clark remarked she was not talking about the short term goals, but rather in relation to the future and what kind of strategies they need to implement to move toward that goal.

Mayor Scruggs said everybody can put their goals out there and then we'll look for a consensus on where to begin. Wouldn't that be a fair way to do it? Do you think? Or do you have a suggestion of some other way to do it? Council agreed to let each Councilmember present their goals.

Councilmember Clark stated they all want the same thing for Glendale's future. A strong community with its share of growth, a continuing commercial Bell Road corridor powerhouse, a vibrant and thriving downtown, an exciting sports/entertainment/tourism district and a Loop 303 corridor offering not just retail development, but a strong job base that enables 70% of Glendale's residents to actually live, work and play within its borders. She explained that these were some of those goals for the future and were in no particular order.

Councilmember Clark indicated that Mr. Rounds said at their last session they had retail leakage in west Glendale. Therefore, they must emphasize retail opportunity development in West Glendale. They must secure a strong neighborhood retail shopping center with an anchor grocery store. She noted there was no opportunity for weekly family shopping needs, i.e., grocery store, dry cleaner, pet food store or drug store. Additionally, convenient access to neighborhood shopping needs will attract employers who want to make sure their employees' needs are met before locating in a new area. She stated that a priority should be to attract and secure neighborhood-type retail in west Glendale.

Councilmember Clark stated this priority was important to attract residents to fill the large existing inventory of apartments and condos in Westgate and Zanjero as well as the thousands of future units already entitled through zoning. She noted they need to develop quality of life amenities that will attract people to the area. In north Glendale, existing major amenities include the Foothills Branch Library, the Recreation and Aquatic Center and Thunderbird Park. In central Glendale existing major amenities include Sahuaro Ranch Park, the Thunderbird Paseo Racquet Center, the Thunderbird Paseo Park, the Adult Center and the Main Library. In south Glendale existing major amenities include Murphy Park, the Rose Lane Swimming Pool complex and the Velma Teague Branch Library. In west Glendale there is the Grand Canal Linear Park, a partially completed West Area Park and no library. However, west Glendale's population until the redistricting was 46,000 and had grown more than any other district in the past 10 years. Therefore, they should prioritize funding for the west branch library and completion of the west area regional park.

Councilmember Clark stated that instead of continuing to allocate millions of dollars for downtown redevelopment, the single most productive goal for downtown is to develop a nighttime attraction, such as a movie theater, performing arts center, a science center, a museum, etc. It must be a venue that will draw people to downtown Glendale in the evening. They cannot rely upon 4 or 5 major festivals to provide nighttime foot traffic to downtown Glendale on a periodic basis. This one accomplishment will do more to revitalize downtown Glendale than nearly any other commercial or retail use. Therefore, they should prioritize securing a nighttime entertainment venue in downtown Glendale. Additionally, the fate of the casino and reservation in Glendale was a number one priority. She explained that the residents and the general public do not understand the implications of this project. Glendale has spent two years being generally reactive to developments associated with the proposed casino and reservation. She stated it is time that Glendale became proactive and told their story in clear and simple terms that the general public will understand and to which it can relate. Glendale needs to lead a strong publicity campaign with solid commitment to provide all of the resources needed to make it happen. Therefore a priority should be to allocate sufficient resources for a major publicity campaign relating to Glendale's position on the proposed casino and reservation.

Councilmember Clark indicated that budget discussions are perhaps the most important business that the Council undertakes every year and every year it seems we receive less specific and more generalized information. The recent material presented to Council on Debt Management was perhaps the most thorough presentation Council has received in quite some time. She noted it was an extremely useful document for Councilmembers. The Council has an opportunity to reverse this trend. She said they must be willing to devote the time and energy needed to do a

thorough review of their budget this year. This can and should be accomplished by using a zero-based budgeting process. This demands that each department offer a factual and rational explanation for those items and personnel critical to its mission within the organization and in service to our community. She recognizes that it is a demanding and time consuming task for staff to accomplish but it was a necessary one. Therefore, they should prioritize and implement zero-based budgeting to occur this fiscal year and every other year thereafter.

Councilmember Clark stated that Mr. Rounds also pointed out that Glendale needs to capitalize upon Luke Air Force Base by developing a strong engineering and technical base to serve the needs of this premier air force base which will soon be scheduled to host the F-35. She stated this was an opportunity to focus on incubation of new small businesses that will meet those needs. Therefore, a priority should be to develop aviation engineering and technology as one of Glendale's core business nodes.

She continued that another comment by Mr. Rounds was that "people make decisions based on psychology, not necessarily the facts." She stated this occurs when there is an absence of facts or the facts are not clearly disseminated or understood by our residents. She said they had a vocal minority commenting on a myriad of issues based upon what they have read in the media. She explained that when people repeatedly hear that decisions are bad, people are bad or events are bad, then the public will regard those things as bad. They must not just tell the "feel good" stories about Glendale. She noted they must cultivate an atmosphere of greater openness and transparency. She remarked they need to tell the public not just what the decisions are but how and why they were made. She stated that even through they may not agree, they would still have given them the facts with which to decide. Therefore, a priority would be to adopt new fact-based outreach strategies to inform Glendale residents about the "how" and "why" of Council's decisions and if a decision has not yet been made offer several venues for general public comment.

Mayor Scruggs said Council was pretty frustrated after their first meeting because of all the stuff presented, they could have gone to a seminar and heard it. And what she heard was this was an opportunity for Council to express their concerns and move forth in certain things. So, what you have told us with 2 ½ hours left today is, that we are going to take topics to focus on. So she asked if Council could kind of move through here and say if they agree with this and this and see if there is some commonality? Is that the wrong way to do this?

Mr. Bowers replied that was fine.

Mayor Scruggs said so if we want to say that's my number one priority, let's pick Luke Air Force Base, incubation of new small businesses or whatever Council should figure out which way to go.

Vice Mayor Frate agreed with Councilmember Clark's priorities; however, realizes that she was focusing mostly on her district. He agrees with looking at new retail out in west Glendale. He noted he has been successful in his district by making relationships with business, real-estate and working with the economic development department. He noted he has also done this in Councilmember Clark's district. He stated he does not get any benefit by doing this other than

helping another district and helping Glendale prosper. As far as the budget, he has some concerns regarding staff's time on having zero-based budgeting especially at this time when staffing was at an all time low. He would have to defer to the city manager and departments. He stated that the economy was still a priority for all. As far as the comment of throwing money at Centerline, he would rather they use the term investing money in Centerline since it was still a big priority. He noted that once again this area was not in his district but he represents not just his district but the city as a whole. As for night time entertainment in downtown, he would rather support expanding venues that are already there, instead of looking at new venues that will take additional time. He noted that incubation of new small businesses was something he still was not sure of and would like to see how Westmarc does first. He believes they need to stick with what is working right now. He supports the city becoming more proactive on the casino issue even if ultimately it will be decided in the courts. He noted he has not received many emails on the casino as of late.

Vice Mayor Frate stated the city needed to look back at what their basics are and make sure those are being taken care of such as streets, sanitation and public safety. Councilmember Clark remarked that they were discussing long term goals. Vice Mayor Frate disagreed and added Councilmember Clark's priorities were not all future goals. Councilmember Clark stated these were goals she has had for 10 years so they were not exactly immediate.

Mayor Scruggs said some of Councilmember Clark's were immediate and some are long term. And what Vice Mayor Frate is saying is that he supports doing anything he can to bring in retail but the more you have foreclosures and people moving out, it's hard to get retail. Mayor Scruggs said the question is are we doing long term or immediate short term? The discussion has so far been on the budget process, the public perception of decisions and being serious about public information about the reservation.

Vice Mayor Frate stated his long term goals had to do with economic development.

Mr. Bowers agreed that some were long and short term and they will sort them out later.

Vice Mayor Frate stated he would also like to review the city's assets and how they were being used to give back to the city as well as how they were performing.

Councilmember Lieberman stated that Councilmember Clark brought up many good ideas, however, he does not agree with all of them. He noted that Councilmember Clark, in one way or another, wants more investments in her district, yet her district has received more investment both recently and in the past 10 years than the rest of the districts almost combined. He listed the funding that has recently gone to her district. He would like to see money spent in all districts not just in Yucca which has already received a fortune. He listed the many assets in the Yucca district that the Cactus district did not have.

Councilmember Lieberman discussed his past business ventures in the downtown area in the 1980's, adding that, currently there was no draw in the Centerline district to entice new businesses to the area. He stated they had to prioritize that area for the Centerline project. He noted that the city's prioritization should include Westgate because of its recent troubles and

failures. The city should recruit a large top 10 business such as a Lowe's or Costco type business. He added there was also no top 10 business in the Centerline area which meant no draw. He explained as a former business man, that Cabela's should have been built in the middle of Westgate and it was a horrendous error to have build it were it was located today. He reiterated they need to make the downtown area a priority and recruit a night time attraction. He mentioned his recent visits to the downtown area and how he has seen many improvements. Additionally, he fully supports Luke Air Force base and would like to see a report from the city's lobbyist explaining what the city was spending on the base and the status of any programs slated for Glendale. Mayor Scruggs commented that she'd seen a report and thought it had been shared

Mayor Scruggs said the secretary of the Air Force, Michael Donley looked at Governor Brewer, then looked at her, looked at everyone in the room and told them that revisiting the subject of Luke Air Force Base as the preferred base, is not an option. He looked at Mayor Scruggs – he was sitting next to her and he turned and he looked at her. Revisiting that decision is not an option. Now the problem is Congress - is all wrapped up and there is a lot of – the President wants to cut the military budget so you can't buy planes to put somewhere if the budget is being stopped.

Councilmember Lieberman wondered why Eglin received \$450 million for converting the base for the F35. He asked if they knew how much they received from the \$450 million.

Mayor Scruggs said Luke doesn't need \$450 million to convert.

They made a political decision to please whoever in Florida and they chose a base that cannot handle the mission so of course they have to put in \$450 million. All she can tell Council is what she told the Secretary of the Air Force, we have been working very hard to insert some things that were left out of the environmental impact studies about noise content.

Councilmember Lieberman inquired as to the delay of the environmental impact studies.

Mayor Scruggs said you really need to talk to the Department of Defense and the Air Force. They make those decisions. So, and the other thing Secretary Donley said – because she knew Councilmember Lieberman was very concerned about the F22, as we all are, which was the purpose of our visit – everything will be in sync.

Councilmember Lieberman asked if Mr. Donley could be overruled.

Mayor Scruggs said she thought he can be overruled by how Congress makes up their budget and she thought that's the fairest thing because right now if they're going to cut the budget to the military and they're going to cut funding for aircraft, then the biggest worry is preventing those F16s from leaving here and going to Holloman and that's what we went to Washington to work on and to address. And that was the commitment he gave was that everything would be in sync. They wouldn't start the construction – in Holloman if we didn't have the F35s here.

Councilmember Lieberman commented on the casino issue which he was a supporter. He noted that the Gila River Tribe on the outskirts of Glendale will be spending \$160 million on a grand casino to entertain people from the west valley. He stated it was his firm belief that if the casino would have been built three years ago, Westgate would still be thriving since the casinos are a huge draw everywhere. He noted that while Glendale was fiddling with their thumbs trying to decide what to do, they were building a casino elsewhere when the fact was that it was greatly needed here. He restated that 70% of the people in Glendale favor the casino.

Mr. Bowers asked for clarification on Councilmember Lieberman's comments and asked if his was a corporate response to that issue.

Mayor Scruggs said yes, a very poor one. She said that she was going to speak last but she supported Councilmember Clark's comment to the hilt. We have been fighting a very slick, well managed, well produced campaign from the Tohono O'Odham Nation, with junk, okay. The keeping the promise thing was absolutely a disaster and that was controlled by one individual, who is not a member of any tribe, but is a lobbyist. Our website has not been updated, in fact one day she went in and it had disappeared, she had to dig to even find it anywhere. Who would give the okay to take it off? When it needs to be updated, it needs resources. She said they don't need 135 acres for a casino. But the public does not understand that there is this huge amount of land that they want to create into an Indian reservation that will never generate money – separate out what they need for the casino and let the Attorney General fight that. Because that's what it is – it's a state issue. But declare that we get the land back and it will produce and contribute like everything else. She said that story never gets told. It's all about the casino – what does the casino need, 10 acres, or 15? Let that be fought over there with the Attorney General but there will be no revenue, anyway. Councilmember Clark agreed.

Councilmember Lieberman discussed how the case is being played out in the courts with the Tohono O Odham Nation being successful in most. He noted that an appeal was pending in the Ninth District Court of Appeals in San Francisco and asked if there was a time limit on that. Mr. Craig Tindall, City Attorney, stated there was no time limit set on that appeal and they are waiting to hear on that issue.

Mayor Scruggs said but the question – yes, Council does have a corporate position. Yes, the city has a corporate position.

Councilmember Lieberman commented on the Governor's press conference regarding the state's surplus and debt. He added it will relate specifically to Glendale when they begin discussing the budget in a few months. He thanked Councilmember Clark for creating and offering her list of things to comment on.

Councilmember Martinez also thanked Councilmember Clark for providing a good starting place with her list of points. He agrees with her comments on needing more retail and businesses on the west side. He was also in agreement that the Centerline project was also important and should be a priority. He would also like to focus on the retention aspect regarding businesses in all areas that were in trouble as well as keep them out of trouble. Mr. Bowers asked if he would

also include incentives. Councilmember Martinez replied that only if those incentives would pay the city back in some way. He noted he would like to continue to improve their facilitation process of new business locations citywide. As far as zero-base budgeting, he was not convinced that this was the right time since staffing was low. He believes the current process can work and they just need to pay more attention and learn to ask the right questions with more in-depth discussions. He also suggests that any surplus they receive this year since the economy is getting better should be used to pay down debt or hold in a reserve account. However, he knows there was a lot of competing interests but believes they need to look to the future since full recovery was still a ways away.

Councilmember Martinez explained that in regards to Westgate, he would not call it a failure as Councilmember Lieberman had. He agrees there have been some hard bumps in the road regarding Westgate; however, it happened in part because of the economy but believes it was on the right track, even with it's' difficulties. He noted many others have also taken a hard hit not only here but across the nation. In respect to the casino, he believes they need to do everything they can to educate the public on this issue and make sure this does not happen because it was not good for Glendale. He believes staff has done a fairly good job, but can do better and supports a better campaign.

Mayor Scruggs asked how about public perception, communication, more transparencies, did he have anything to say on that?

Councilmember Martinez agrees the city should strive to have better communication and transparency as he stated at the last retreat workshop meeting. He recommends putting any financial documents online as well as many others the public would be interested in.

Mayor Scruggs said yes, Councilmember Clark was going beyond that. She's talking about a different approach rather than we just put out good news - feel good stuff. That we put up honest things and a way for the public to give input.

Councilmember Clark agreed and added they need to explain the debt and what strategies they were considering to bring down the debt and how they were going to do that. Councilmember Martinez stated his support. As far as Luke Air Base, he agreed with Mayor Scruggs comments on that issue.

Mayor Scruggs asked if Councilmember Martinez had any additional comments.

Councilmember Martinez replied no.

Councilmember Knaack stated that in regards to debt management, she has always wanted to know what the city's assets were as well as their debt. She would like that information presented to City Council so that they could make some decisions on what they want to be as a city and what they want to own or not own. She believes that because of the economy and having the money in past years, they have gotten beyond what the job of the city was. She noted they provide a lot of wonderful amenities that are not really necessary in running a city. Therefore, she would like the city to get back to the basics a little more. She explained that the budget was her biggest concern since it was hard to have long term goals when the economy was still

struggling and the city was carrying a lot of debt. In regards to the zero-based budgeting, she would like to leave the city's essential services budget alone such as fire, police, water, transportation and sanitation and do zero-based budgeting on services beyond what the city is required to provide, such as the Parks and Recreation Department's budget. They could start there and have a serious discussion on what those other departments do for the city of Glendale.

Mayor Scruggs asked are you suggesting we do just one department.

Councilmember Knaack explained that since this undertaking was so daunting, they should possibly start with one department at a time; however, this was up for discussion.

Mayor Scruggs said the only reason that I ask is that some of these departments, their programs and services overlap with another department and it will be hard to just pick out one. If you separate out basic services and say leave those alone – then look at the rest. But to pick out one, next thing you know – it's like – what is it that keeps moving back and forth between maintenance and parks and recreation. It's like right-a-way or it's like if this budget has more money we put it here and if that one has more money we put it there.

Councilmember Knaack stated her priority was to see where they could save money to be able to get back to focusing on the basic maintenance of the city. As far as Centerline, she noted that Councilmember Lieberman always brings up the businesses he had years ago, however, these were different times. She explained she did receive visual improvement money from the city 10 years ago. However, along with that money; she also invested \$800,000 in her office complex building, which now has four businesses and brings people to the downtown area and is a revenue source. She said she totally supports the visual improvement program and believes it will work for Centerline as well as the entire city. This is a program that will help retain business and help bring more businesses in. She noted that they could not neglect Centerline since many businesses were invested and counted on the city's support. Councilmember Clark remarked she was sorry she gave the impression that she wanted to blow off Centerline; however that was not the case. She stated her point was they needed to focus on the nighttime destination location for the future.

Councilmember Knaack noted that a mistake people make was that Centerline was just the downtown area. Centerline was actually from 43rd to 67th Avenues. She remarked that even in this economy she sees signs of progress. She suggested the Council talk to the businesses in the downtown area either formally or informally just to open up communication.

Councilmember Knaack explained that when she started on the Council five years ago, one of her biggest issues was for the city to maintain what they had before they start building new. She had some concerns about maintaining some parts of the city that were getting old and need work on infrastructure as well as other like areas. Another area she believes they need to focus on was infill. The Council needs to make it a priority to fill all the vacant businesses left in shopping centers. She noted that staff was doing a good job; however, the Council needs to help out too. On the issue of Westgate, she thinks it's a great location and will be successful in the end when the economy turns around as many things will turn around for the better in that area.

Councilmember Knaack stated that on the Luke Air Force Base issue, she believes it was in good hands with the Mayor and staff and things will work out. She explained they need to do a better job of communicating and transparency on this issue to make the public aware of the city's position and why the casino does not benefit the city. She remarked that this issue has not been reported very well at all in the press. She indicated that as a form of communication, she would like the 'Connection' that was included in the water bill brought back both online and in paper since many constituents have asked about it.

Councilmember Knaack asked to discuss Glendale Channel 11 and how much it cost the city to produce those shows since all the Councilmembers do the Glendale Today shows. She remarked it might surprise them to hear she was thinking of not doing any shows anymore. She said the reason was the cost. She said the last show she did was fabulous and very informative regarding water. The staff did such a wonderful job putting together the show only to find out she could not find a single person who watched it. She was very disappointed about the outcome since 13 staff members had worked on that in addition to her time and she can't find anyone who watched it. Therefore, she would like that revisited since she did not want to keep spending that time and money on something since few, if any, people watch.

Mayor Scruggs said did anybody ever tell you that – one thing she'd noticed was Councilmembers do their shows on issues or she would talk about something and next thing you know there is either a half hour or hour long program, staff driven, staff talks or whatever on that topic. Has anybody told you to watch those? Like on water, you can tour a plant and you can watch the pumps turn. Do people watch those, you hear? You hear from people?

Councilmember Knaack explained that 10% to 20% of her constituents watch it and the rest only glance at it when channel surfing. She added most do not get it if they don't have cable. However, other than that, she believes they are a fabulous city that does a good job and will continue to do so. She reiterated they really need to put their nose to the grindstone and look at the budget issue and the debt.

Councilmember Alvarez stated she believes Westgate has been a failure, although not because of anything the city has done. She noted it was a big mistake to trust Mr. Ellman and they should have never trusted the man. Additionally, she would like to first hear from the constituents on what is best for the city on issues such as for the Coyotes and the casino. She believes they have not given the public a chance. She indicated that they do a good job in reporting to the public what they want them to know but are not totally honest. Therefore, she would like complete transparency. She agrees with Councilmember Knaack that the budget was the most important issue at the moment. She reiterated that the employees were very unhappy with Council and they really need to listen to the public because of the services that have been cut.

Councilmember Clark asked Councilmember Alvarez what she thought about zero-based budgeting. Councilmember Alvarez replied that at this time, she believes staff has enough on their plate. She noted this was not the right time to add this. She stated it fell to the Council to start asking more questions and trust staff more. She remarked if the Council did not trust staff then they should do something about it. She stated the city had a great staff and she has never had a problem in asking questions that get answered promptly and thoroughly.

Councilmember Alvarez suggested the city should be more open to the media since they seem to only talk to those they like. She stated they should not get upset at the media when they hear something they don't like. She believes that some on the Council have become arrogant enough that they know what's best for the city and citizens. She remarked that once you get to that point, you are no longer effective. She restated the city needed to be more open to their employees and let them know what is going on internally as to why some received raises when others were on furlough, as well as why there had been decreases in services when there had been some money available. The citizens want to know what that money was being used for.

Mayor Scruggs asked why employees think that Council did it.

Councilmember Alvarez replied it was because the Council was the responsible party. She noted they all liked to micro-manage staff, however when it does not go their way, they say they were not responsible. On the issue of the casino, she has been in favor of the casino simply because she sees it as a business venture for Glendale that will bring in people and revenue for the city. She noted that at times the city has been rude to the Nation and has not wanted to discuss the issue. She believes they should all sit down and have a dialogue on what they can do to help each other and come to an agreement. She believes all the Council should be involved in those meetings since no one is more important than the other, according to the Charter. She stated they had all been elected and all work for the people and no one should dictate to anyone of them. She remarked they all vote their conscience; however, she does not criticize their vote and hopes they don't criticize her as to why she made that decision. She explained they hired staff to do a job for the city, therefore, the Council was not their manager but rather they were the policy makers and they should not sit at this table and try to dictate to everyone. She stated she agreed that Glendale was a great place to live and with most of what was said today. Nevertheless, they just need to work and communicate with the businesses as well as the citizens as to why things are done the way they are.

Mayor Scruggs said she would like to comment on everything that has been said. She will start with Councilmember Clark's priorities and in the short term she supports her priority or her suggestion that Council give priority and that the city devotes resources for an accurate public relations campaign for the entire Tohono O Odham Nation situation.

Councilmember Alvarez asked if what they were doing today was to comment and provided support.

Mayor Scruggs said that's what Council has been doing while you've been gone. We started with Councilmember Clark. Mr. Bowers said that what we should do today is to develop some priorities to go forward. Every single person commented on what they heard from the people before and then added their new ones if they had new ones. She'd been keeping notes; she was the last person to go. We are going to see if Council has some consensus here on some of those. It's not just me.

Councilmember Alvarez noted she was not clear on what she was supposed to do. However, since she was not here, they were now going to wrap it up.

Mayor Scruggs asked if she would like to say something then before you end. She was giving her opinion right now; she was giving her position as the other six did and then Mr. Bowers will help Council with the consensus.

Councilmember Alvarez responded that she will hear Mayor Scruggs' comments and then provide her opinion if necessary.

Mayor Scruggs said these are the things that we started with. Would you like us to go over each one and you can comment on them?

Councilmember Alvarez replied no. She asked them to move on.

Mayor Scruggs called for a 5 minute break. The session was called back to order.

Mayor Scruggs said she was going to react to what she'd heard before and to talk about Councilmember Clark's priorities as well as communication with the public about the Tohono O'Odham's project. She said even in listening to the Council talk, unfortunately, its still referred to as a casino issue. And really it's just much, much more than that.

Mayor Scruggs said regarding Councilmember Clark's priority on the zero-based budget, she supported doing something much more than we've done with the budget in the past. Councilmember Knaack offered a kind of a modified zero-based and I would definitely support that. Something more, this business about staff's too busy, the Council's number one priority job as a policy making body is to develop the annual budget. What happens in the city whether you get your parks, whether you get your libraries, whether you get code compliance, whether you get Centerline, economic development, all comes from that budget Council develops. That is Council's number one job. And Council must do something more. Included in there, is the item that has been brought up by Vice Mayor Frate and Councilmember Knaack that Council look at the city's assets. Council has asked about it for years and requested that it become part of our budget discussion.

Mayor Scruggs continued also, and this is something she was going to add, it kind of follows on something Councilmember Alvarez said. Councilmember Alvarez said that we the Council are responsible for some people getting raises while others don't. And that was what the employees believe and that's our responsibility. That has never been anything that has been told to Council, and, in fact, our current city manager and our previous city manager made it very, very clear. In fact, the pervious City Manager, Marty Vanacour would walk around with the city charter under his arm and show it to Council if he felt we were getting into administrative work. But what she would like to do, as part of this whole budget or money discussion is, she would like to hear what Council's responsibility is or what is our authority or what is Council eligible or allowed to do as a Council when it comes to compensation other than to set a total amount? If the city had been doing zero-based budgeting she didn't think Council would have been so surprised by the articles written by Craig Harris about the millions of dollars going into pensions each year. So, that very fact limits us in what we have available to do. She doesn't think this issue is over; the state is going to take up some issues and the cities are already taking up the issues of employee benefits. There is an article in the Arizona Republic on sick leave and vacation pay outs to retirees. So she would like to know and she would like to have it said openly for everyone to hear. What rights does Council have as the policy making body to talk about compensation issues, not to individual people, but overall within the city? Because that is a huge part of the budget and by further opening up the budget as has been suggested, Council will get to those types of things.

Mayor Scruggs said the transparency issue that Councilmember Clark brought up she fully supported but, she thought Council will probably have to do it on their own. She had been for years just repeating the staff generated statements about the biggest issues we are working on and that causes some people to think that she's setting the direction for the city. She's just repeating it, so now Council was going to have to do some of this on their own. However, she supported the notion that most of Council supports about transparency, so more information goes out. She does hold meetings some people have joked about how many come – only 48 came. But Councilmember Alvarez said that if only 10 come it's a good meeting. So I have meetings, you have meetings; she thought everybody at this table has meetings. Councilmembers can have more meetings, but she thinks communication is very, very important. We do not have any authority over the communication department.

Councilmember Clark suggested posting something in each library informing the public of the issues the Council was currently working on. In addition, the library should also display each Councilmember's contact information and how Councilmembers can be reached.

Mayor Scruggs said she was reporting the idea, Councilmember Clark was now moving into how to implement it. Because, is the Council going to make up our own poster board and put an easel in the library? We would not be allowed to do that.

Councilmember Clark replied that marketing would handle that aspect.

Mayor Scruggs said she thought Council needed to do something and it's up to us to send direction if that's what the city wants to do. On the longer term things, on the aviation technology, new nodes and incubator businesses. She was a member of the MAG economic development committee; she heard a presentation recently on this fabulous incubator in Chandler. Council would be astounded to know how many real businesses have been created by this incubator and how many real jobs. Now the qualifier is that Intel gave them a building which was already set up with labs and all the things anybody else would have to build. She talked to Brian Freedman about this and about Surprise's tech-celerators. Mr. Friedman has been trying to figure out how to do an incubator in Glendale without having the readymade infrastructure. She would love to tour the Chandler facility, she thought, that some of Council might want to see it also. So she put that into the long term things and as far as selecting aviation technology, and new nodes. She would like to have a discussion on who the city is competing with. Is the city competing with the southeast valley and do they have assets we can compete with or is it reasonable first? But why doesn't Council have a discussion about that, is it realistic and so forth.

Mayor Scruggs said Vice Mayor Frate talked about looking at city assets and making it part of the budget, she supported that. Councilmember Lieberman talked about Centerline, Centerline came up a lot. She was 100% with him that the city needs businesses. When the Council first started Centerline, Mr. Bowers will remember this, because she said over and over, this is not just about downtown. Downtown gets a huge number of resources. She means from marketing alone, a tremendous amount – this is about, what the city does should be from 43rd Avenue to 67th Avenue besides 56th to 59th? Remember, didn't she say that a gazillion times? And where

has the city put all our resources - right back between 56th and 59th. And it's great, the arts' stuff all those things are great ideas, but the city is doing nothing to bring in businesses and she supported him 100%. The city is never going to have the growth it needs until we bring in the businesses. She supported the courthouse project; she didn't know how we fit it in but –anyway Councilmember Knaack, she thought, had said the same thing.

Mayor Scruggs said Councilmember Lieberman talked about the state's budget. And he's exactly right. This so called surplus is not a surplus; there is the expiration of the one cent sales tax. And what she would put out for all of you to think about and notice - how much it's written about. There is this task force that's headed by Craig Barrett former CEO of Intel and Lisa Graham Keegan the former Arizona Superintendent of Public Instruction and they are working at how to make Arizona the forefront in terms of education. And someone who works closely with them told her that the goal is to take it to a vote for a permanent one cent sales tax for education. She said you may have seen a poll in the newspaper a few days ago, is their support for this, of course, overwhelmingly there is. Now, where this affects the city and what Councilmember Lieberman said about the impact on our budget – a decision was made back when the Governor was pushing for Proposition 100 or whatever it was called for the one cent sales tax. The cities and towns agreed for that a three year period to step away from our state shared portion. Council should remember, we discussed this because the state was in such dire need and if the cities and towns did this then that would save the State from coming and taking more money from us and so forth. The thought is that when this education tax goes forward, it will not include the share for cities and towns. So that's the nose under the tent, that also will boost up overall sales tax to where if cities and towns want to do anything on their own it will be almost impossible. She didn't know who was going to fight education because everybody loves education. At the same time, the Arizona general contractors are pushing for something very similar for transportation. We all would agree that the roads are a mess. Again cities and towns would be cut out. She was telling Council, we have to watch what's going on at the state but in ways other than what maybe the Council has been thinking about. And how does the city position itself to fight something like more money for teachers, she didn't quite know, but they are talking about that down at the League. The League of Arizona Cities and Towns had a retreat last week and that was an issue.

Mayor Scruggs summarized the points that she'd discussed - city assets, yes; zero-based budget partial, yes, Centerline businesses, yes we need more businesses. She liked the idea, of talking to the businesses. She liked all these ideas, and talking to economic development and saying is this good? Yes bring the businesses in but all we know is second, third, fourth hand. So let's hear about them. For instance, she was curious, why did the Sugar Beet Factory which was ready to go disappear into oblivion then get sold. Also, maintain what we have, absolutely that's critical. Communications, transparency - improve – absolutely. Councilmember Knaack was talking about the "Connection" and what we had before and what people seem to use and what we have now is nonsense. She said its stuff you can get out of thin air. She looked at Goodyear and Peoria; they mail whole glossy booklets to their people. You know maybe we need – years ago there was a survey of how did our citizens get their information. Remember? How many years ago was that? Wouldn't it be nice if the city could do a survey but, then that would probably come with an \$80,000 price tag?

Councilmember Lieberman commented on someone that used to do tremendous surveys on buildings around Glendale.

Mayor Scruggs said maybe now we can do something because Councilmember Knaack is saying that having our Glendale Today is not worth what it takes to produce it. So who is watching that? How can we find out what our citizens want and that's what Councilmember Alvarez wants – she wants us to know what our citizens have to say that's a very important part of what we're talking about in transparency and so forth.

Councilmember Lieberman suggested they discuss with the Dish networks what it would take to carry the local government programs.

Mayor Scruggs said that is something we can open up. Now, as a new topic, she was going to raise the subject of furloughs. The whole furlough issue came up; it was at the workshop on February 17, 2009. And at that time, I asked, I think Human Resources Director Carmicle, what is going to happen to our employees? What will happen to their retirement when they take this cut in pay? What's going to happen to their vacation? And this actually refers to Mr. Beasley, she quoted "he replied he understood her point, however, for that reason they were doing everything possible to minimize the consequences such as meeting with the employees to help them understand their options and help them with the process. He explained depending on how the process is carried out it might have very low impact on their retirement fund." Well, she'd heard from people that it has a huge impact on their retirement fund. And so they've put in decades of service to the city and now their families for the rest, as long as they get a pension, will get hundreds of dollars less because of this furlough situation. This concerned her and this goes along with our discussion of what is Council, as the policy makers, allowed to talk about with regards to employee benefits compensation. And what is Council allowed to suggest as changes. And there are going to be changes, there already have been, coming down from the state. But what internally can Council do to minimize the impact on our employees, right now? And she's going to focus on people who are retiring, ready to retire, at the end of their career; they are getting this whammy they didn't expect. And maybe there is some way around that. She's personally very touched by the stories she'd heard from people who have had their plans that they've laid out for their retirement change dramatically because of this furlough situation. So she thinks that goes to the whole discussion of how the budget has to be something more than just getting these numbers from our very well trained experienced knowledgeable staff and just saying okay, we trust you, that's all we want to know, just go with it. There has to be something more.

Mayor Scruggs said regarding increasing retail in west Glendale – obviously we all support that. She didn't know that Council could go out and create it but Council can definitely put an exclamation mark on the effort and she supported what was said on infill just as much. She said it's a big problem when cities grow and good things happen but the inside doesn't progress or deteriorates. And that's why we have Centerline in the first place; Council has to focus on bringing businesses. So, she supported both.

Councilmember Martinez inquired if she was asking staff to bring forth information on the furloughs impact on retirements.

Mayor Scruggs said what she would like to know – Councilmember Alvarez said that Council is responsible for a person getting a raise and that is what the employees believe. She doesn't believe Council has any ability to impact that in any way. Mayor Scruggs continued that Councilmember Alvarez also said not to micro-manage? She was saying – where does Council fit in? Those policies that had to do with compensation, does Council have a say in them or not? It seems to her, that's its part of the budget, so Council does, but does the Council understand them? Did Councilmembers have any idea how many millions of dollars were going to pensions each year before they read Craig's article? Did it give Councilmembers a little bit of a pause about why the city was in such a budget situation? But that's all set by law. And Council can't change that. But she was telling Council, they are going to go after other things. So she was thinking, since payouts of tens of thousands of dollars in sick leave were so bad, maybe employees could be allowed to move that over into their final salary compensation or something so they don't get hurt on the furloughs. If you worked for 27 years and your last three years, your income drops like that, and that is what it's all based on, isn't that right? How fair is that? And there are people that know that, that are ready to retire and we are just letting them dangle out there.

Councilmember Lieberman remarked that they also count on social security as part of their retirement.

Mayor Scruggs said Council can't change that, can we? Oh yes we can! You're right because, the salary down so therefore their social security benefit is hurt along with their pension. Thank you, Councilmember Lieberman. She missed the point and she apologized.

Councilmember Lieberman stated that social security was based on the last 13 quarters. He remarked that if your income drops that was reflected in the social security retirement.

Mayor Scruggs said exactly. And that's what comes from not really – from just accepting information and not really delving into it.

Councilmember Martinez remarked that no one was happy with the furloughs; however, Council should not forget that many jobs were saved because of it. He stated that Council had to look at the whole picture and not just zero in on one part.

Mayor Scruggs said she understand that – Council was told the employees voted or something and this is what they wanted, were furloughs. That's what Council was told, the employees chose furloughs. Employees chose it. So what if there was some sort of separate path for those who declare they were going to retire. Just like police and fire have, they say I'm going to go in this period of time so take me out of the regular system and set me over here. So with the furloughs, she didn't know if this would work, she was just trying to think of something, could there be a path for people who say – they are going to be leaving in the next year or whatever and they become exempt from this? But maybe they contribute their sick leave because the whole city has to be kept whole. So maybe there is some other way so they don't walk out with a big check for sick leave but they keep their social security and retirement.

Councilmember Clark stated they need to be careful not to open a Pandora's Box and anything they do, should be for the short term.

Mayor Scruggs said she wasn't trying to come up with a policy here but what she is saying – is Council even allowed to talk about this? Okay and that was what she'd started with. What is Council allowed to talk about? She said Councilmember Alvarez said Council should have stopped that other situation, she'd always heard Council has nothing to do with it. So she'd like, as part of some discussion, to know what Council is allowed to do.

Councilmember Martinez commented on his own experience with social security and his pension.

Mayor Scruggs said not to hurt people who are here now, but you know to go forward. This newspaper article says "in the year 2010, the state's 13 largest municipal governments paid \$17.1 million dollars to retiring employees for unused sick leave and vacation time."

Mr. Bowers noted that Council wanted clear direction on what their limitations and opportunities of their role was in regards to this type of policy.

Mayor Scruggs said and then those limitations should be widely publicized so that Council doesn't end up as the fall guy again for people who are asleep at the switch.

Councilmember Alvarez noted that the employees did approve the furloughs; however, the resentment comes in when they read in the paper that they are receiving a cut when the city was spending money foolishly on attorney fees to fight causes that they should not be fighting. She added that they were not blaming the Council, but believes the city was taking money away from them to pay somebody else. She provided an example of cutting attorney fees.

Mr. Bowers summarized the Council's consensus on several topics thus far, both long and short term. He noted that most were still unsure how to proceed with the zero-based budgeting suggestion. The categories discussed were more communication and transparency and a more detailed budget process, including city assets.

Councilmember Clark noted there had been support from the Council for a modified form of zero-based budgeting. She stated that based on the discussion this morning, they had gone from her idea to Councilmember Knaack's suggestion of a modified zero-based budgeting. She indicated that both Vice Mayor Frate and Councilmember Martinez had concerns with staff's time and Mayor Scruggs, Councilmember Knaack and herself support a modified version. Councilmember Alvarez stated they should trust staff and ask more questions. She commented Councilmember Lieberman did not voice an opinion.

Councilmember Lieberman noted he did not know enough about zero-based budgeting to form an opinion.

Mayor Scruggs said Mr. Skeete or Mr. Beasley, who would be the one to talk about whether this is something that staff just could not do because of time or what you could do to take us further

into the process. They begin the budget with the employees back in November or December and get it all put together and say this is the way it should be and it comes to Council.

Councilmember Clark explained staff provides very generic information by the time they get to the budget. She acknowledges that staff provides for opportunities, however, it was almost like an afterthought. In addition, they also have heavy time constraints and the time was very limited for discussion. She explained that unless each Councilmember was smart enough to figure out exactly, how to phrase the question, in the right terms, they receive slick answers back. She noted she was not trying to denigrate staff since this was the way things have operated for millennia. She stated she does not believe the burden should be place on Council to have to develop questions that were phrased exactly correctly, with exactly the right language to elicit the full response that Council's looking for. She remarked it was time they open up the books, and have staff justify were the money was going. She indicated that was the kind of opportunity that Council needs to make meaningful input into an annual budget process and that was not afforded to them at this time.

Councilmember Martinez stated that what he had heard so far was that Vice Mayor Frate, Councilmembers Knaack, Alvarez, Lieberman and he were against it.

Mayor Scruggs said but there has been a huge protection of staff. She'd like to hear from staff. There is a huge protection of staff not able to do this because of time and it would be too much of a burden. She believed they are overall the financial people or was she wrong?

Mr. Beasley explained that zero-based budgeting was nothing new; however, in some ways it has been discontinued because it took almost two years to do it completely right. However, the premise of the Council's suggestion was to have more information and more detail along with more dialogue from individual departments and also on individual programs. He stated that information can be provided and can still take place. He noted they were not opposed to zero-based budgeting; however, they might have other mechanisms to get to the same conversation at the same level of discussion on assets. He added they were not afraid to provide that information at a higher level of detail with a higher level of staff presentations. He explained that for the last two years, previous to that, what took up a lot of time was that the city had supplemental money and staff took a lot of time with their presentations. As a result, they have not had any supplementals in two years and that's why the meetings have been shorter since there was not much to discuss. He stated staff would like the opportunity to bring back ways they could have a deeper discussion as well as how zero-based budgeting works. However, they might find they will get the same results as with going to zero-based budgeting. He reminded the Council that last year, they took such a step, by going out to the community to ask what they would cut. They had several meetings on that and received a lot of feedback and information. He noted that decisions were made based on that information from the community.

Councilmember Clark agreed. She noted that it might be some of Council's fault since the last three budgets have been difficult and they should have taken that opportunity to review specifics within the budget to see if there were further cost saving or cuts that could have been made to alleviate the tight budget process. However, the Council was providing that direction now.

Mayor Scruggs said when does that fit in; this part where we take more responsibility to understand what goes on in the departments? When we get the budget? Saying is this department's budget acceptable and so forth or ahead of time where people talk about whether things should be budgeted.

Councilmember Knaack noted the problem was that they receive the preliminary budget and it was already set and they do not get much say on it. Therefore, she suggests they meet before the preliminary budget. Councilmember Clark agreed.

Mr. Bowers noted that at one of their previous retreats, the Council had discussed having an additional meeting in late January to be able to provide their input before they received the budget. He stated this might also save some time for staff if they know some of the issues Council has before they create the budget.

Mayor Scruggs questioned did that happen and she answered no.

Mr. Beasley stated that it did happen and they did have a preliminary discussion. However, they can have additional meetings, as many as Council deems necessary to provide the information.

Mayor Scruggs asked and how are they going to deal with this whole Coyote's issue? How are we going to build a budget when we don't know what are expense is going to be there?

Mr. Beasley stated staff was trying to finalize the Coyote's issue. However, as has been said publicly, they do not control the clock.

Mayor Scruggs said but there is a \$25 million issue that we either fit into the budget or we say that's not an expense and it's available for Councilmember Alvarez's library hours. She said that's the question and we don't know what to do with it?

Mr. Beasley noted that would be part of the budget discussion.

Councilmember Clark commented that either way, they have to deal with the \$25 million or the Coyote issue with whether they stay or leave. Additionally, they have to figure out how they identify the funding sources to keep the arena open.

Mayor Scruggs said when there are two tracks; you might as well take the highest number because and then hope for a lower number. But if we look at a lower number – wow its \$10 million more. So that whatever we do we are going to start off with a \$25 million expense to go somewhere related to Coyotes and then hope for the best.

Mr. Bowers remarked on the issue of zero-based budgeting. He said that what he heard was three Councilmembers stated not for now, one supports it totally and two suggested a modified version.

Mayor Scruggs asked Councilmember Lieberman if he'd heard enough to have a feeling one way or another.

Councilmember Lieberman replied no. He stated he understands the principal of zero-based budgeting but does not understand what staff will have to do to justify every single item in the budget and it might put an undue burden on them and provide the Council with information they may or may not want. He noted another suggestion was to have a modified version of starting from an acceptable budget and then continue from that figure for the rest of the budget.

Councilmember Knaack replied she had suggested the modified version. She indicated the essential services would be left alone, however, the other departments above the essential services was where they would start looking. Councilmember Lieberman noted that sounded like staff had to prove or justify what they were doing. Councilmember Knaack replied it was just providing additional information.

Mr. Bowers noted what he was hearing was support for a modified version to be able to take a look at its totality and look at what the impacts are and what the costs are. He stated he does not hear anyone wanting to wipe the slate clean since in his experience that was a nightmarish experience. Councilmember Lieberman added that was zero-based budgeting.

Councilmember Knaack replied that after hearing Mr. Beasley's comments, that was what she would like to do and should be doing. Councilmember Lieberman asked to hear from Mr. Beasley again on this issue.

Mr. Beasley explained that as stated, staff was happy to explain zero-based budgeting and what it takes to do it and then decide if that's what they want to do. However, if all Council needs is more information and a clearer presentation with more detail, staff can provide that as well. He indicated that was a modified situation in itself but would like to bring it back to them to make a choice. He reiterated that zero-based budgeting was not new and a practice that they used to do but was not done any more for many reasons. However, it was not off the table and it was up to Council to decide. Nevertheless, if there are other things and other departments they would like to look at in greater detail that can be done before the finalization of the budget.

Mayor Scruggs said from what she was hearing Councilmember Lieberman was saying, no zero-based budgeting, but possibly he would consider setting a base and then above that, we talk about why and so forth. So let's let Councilmember Clark come back and see if that meets her needs and if there is a consensus and support for that. And then the next thing, if staff starts thinking if they're going to do that, when will we do that? Council's first budget workshop is March 6th; Councilmember Knaack suggested doing it before the budget workshop because that's when staff has the things on the tablets set in stone.

Mayor Scruggs said to Councilmember Clark, it appears that Councilmember Lieberman has indicated he might be willing to support setting a base and looking at everything above that. That base, he and Councilmember Knaack have agreed would be essential services, police, fire, water, sewer, sanitation and transportation. Okay, and so that is where we are now. If Councilmember Lieberman agrees with that, is it something you feel okay with?

Councilmember Clark stated she would support that since it was a start.

Councilmember Martinez, Lieberman, Knaack, Alvarez and Vice Mayor Frate all supported this suggestion.

Mayor Scruggs said then the next thing would be when would you like that to happen. There is a budget workshop set for March 6th and our other budget workshop is probably two weeks later.

Councilmember Clark stated she would like them done before the workshops. Councilmember Lieberman would like them to start in February because of the National League of Cities' schedule. Councilmember Clark agreed.

Mayor Scruggs said when is that? Well just listening and talking to the other Mayors yesterday – 10th through 14th of February. But what Council was saying right now is that we would like it prior to March 6th because that is the first budget workshop. So you're talking about something in February.

Councilmember Knaack suggested they do what they did today. They could have the workshop meeting in the morning and the evening meeting at night.

Councilmembers agreed.

Mayor Scruggs said do you want to put any structure to what it is you're looking for at these meetings? So we don't waste anybody's time. Or you feel comfortable with everything at this point. If you're comfortable, that's fine just....

Councilmember Knaack stated she would like to focus on K-Glen, Parks and Recreation, Information Systems, Community Partnerships and Marketing and so forth.

Mayor Scruggs said staff can figure it out what – she meant Councilmember Knaack had what it's not so staff can figure out what everything else is, right?

Mayor Scruggs asked can Council at that same meeting have a definition of what we have authority to talk about or to give direction on regarding compensation even if the answer is nothing.

Mr. Beasley replied yes since a lot of this was covered by state law and those laws are very clear in regards of what they can and can't do. However, there are things they can look at.

Mayor Scruggs said and maybe to help those leaving. She knew Scottsdale was looking at their policies. She knew Phoenix was looking at their policies; she was trying to remember what other cities. Peoria. Okay, so this is happening and for us to sit out here and go "we can't talk about it" There are policies that differ among cities.

Councilmember Clark remarked on the differences and restrictions that differ from city to city and how little people know about them. She noted this was the type of discussion that was

needed to inform Council as well as the public. Mr. Beasley agreed and stated staff would be happy to provide that information.

Councilmember Clark explained that on the issue of communicating more on the casino issue, it was not that the Council's heart was not into it, but rather the resources were not being provided to initiate a strong publicity effort with an explanation of the implications that a casino and reservation being located in Glendale will have.

Mayor Scruggs said she thought that was more of their support to move the money over there so maybe some other things in communication and marketing need to be adjusted, although, they really are not the ones doing it.

Mr. Bowers continued to summarize the objectives including economic development in west Glendale and Centerline. He also discussed Council's support of staff as well as staff communicating with more clarity.

Councilmember Lieberman commented on past attempts at Centerline.

Mayor Scruggs said but so much has changed and that's more than 20 years ago. We have to talk about what is going to work today.

Councilmember Lieberman disagreed and explained they needed to learn from their errors.

Mayor Scruggs said there is one difference that she would suggest for you to consider. All those other efforts focused on a very small area. They didn't go down to 43th Avenue or up to 53rd or out to 67th.

Vice Mayor Frate noted that not everyone considered it a disappointment since some things in the area did change for the better. Mayor Scruggs agreed.

Mr. Bowers continued summarizing adding creativity in regards to Luke Air Force Base and its possibilities.

Mayor Scruggs said yes, to go out and get ideas and see what's happening and then come back as a group and talk about it because when we talk about the long term in the city, whether its aviation technology or whether it's something we haven't thought of yet – we get information and then talk and start to form that vision.

Councilmember Clark agreed to look at the concept of incubation and receive a fuller explanation of its variance and forms before they look at different models.

Mayor Scruggs said and I know Brian Friedman has been working on that for a long time. He has it in his head and he knows it's something that many people are interested in. But we don't know what he has collected as information. So I agree with Councilmember Clark let's hear what it could be depending on where it is.

Councilmember Clark commented on the many forms of incubators around the country. She noted they needed to look at those models to decide what would work here.

Mr. Bowers commented on the list compiled so far and asked if it was agreeable.

Councilmember Knaack stated she would like to add infill to the list. Mr. Bowers stated he had included that as well.

Mr. Bowers once again summarized the Council's priority points. They are: communication, modified budget, economic development, Centerline, west Glendale, staff support and creative opportunities for city businesses.

Mayor Scruggs asked is there anything else anyone else would like to add at this time. No. Okay the meeting is adjourned. Are we going to see you back? Or you don't know if you're coming back in February?

Councilmember Lieberman thanked Mr. Bowers for everything he has done for the city. He also thanked Mr. Beasley for all he contributes for these meetings.

Everyone agreed.

ADJOURNMENT

The meeting was adjourned at 11:50 p.m.